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SUBJECT: HCMC MEDIA CONTINUES TO PRESS THE REFORM ENVELOPE

REF: A) HCMC 229; B) HANOI 628

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¶1. (SBU) Summary: In a series of articles that coincided with the recently-concluded 14th Party Plenum, HCMC-based newspapers continued a public push for reform. Emphasizing rule of law, one of the articles questioned the hitherto-sacrosanct Article 4 of the Constitution, which codifies Communist Party supremacy. During the plenum, HCMC newspapers also stepped up their coverage of a major corruption scandal in the Ministry of Transportation involving misuse of Official Development Assistance (ODA). The reporting not only pilloried the Ministry, but also attacked the Party's anti-corruption watchdog for its lack of oversight. The corruption reporting may reflect the behind-the-scenes fight for leadership positions in the Party; two contacts linked General Secretary Nong Duc Manh to officials netted in the corruption scandal. The continued press reporting on reform-related issues and publication of other articles advocating change is a challenge to Party officials who have encouraged an end to the "public comment period" on political reform proposals in advance of the Communist Party's 10th National Congress. End Summary.

Sustaining Public Debate: Rule of Law

¶2. (SBU) In the two weeks running up to the Party's 14th Plenum and even while Party leaders were meeting in Hanoi, HCMC-based national newspaper Tuoi Tre continued its public commentary on reform in Vietnam. (On March 22, it carried a scholarly article entitled "The Rule of Law" by one of the Party's legal theoreticians, Nguyen Sy Dzung. Dzung, Deputy Chief of the Office of the National Assembly in Hanoi and a current member of the Prime Minister's research board, wrote that "the supremacy of law must be put above the government and political parties". Dzung cautioned against Vietnam adopting the "Chinese concept" of rule of law, which he defined as the State using law to rule its people (rule-by-law). In a separate article, Tuoi Tre quoted Pham Chi Lan, another member of the Prime Minister's research board and former chairwoman of the Vietnam Chamber of Commerce and Industry, reiterating her view that, to accelerate economic growth, the Party should drop its policy that the State-owned sector act as the "leading force" in the economy. On March 10, the Internet edition of Tuoi Tre also published an article by Nguyen Khac Mai, a retired senior official of the Party's Committee on Mass Mobilization. Mai argued that "to exercise real democracy, Vietnam needs more freedom of speech and freedom of press" and "true freedom of association."

¶3. (SBU) On March 17, HCMC-based Phap Luat "The Law" newspaper ran an article that questioned the continuing relevance of Article 4 of the Constitution, which defines the Communist Party's role as the "leading force of the state and society." The author, Tran Dinh But, a member of the Prime Minister's

research board and Vice Chairman of the HCMC Association of Economic and Management Sciences, argued that Article 4 was appropriate during wartime but now needed reconsideration. He stated that "the Party cannot put itself above the law." He also challenged the "socialist orientation" of the Party's "rule of law" model outlined in its draft political report, arguing that socialism is irrelevant to the establishment of rule of law.

14. (SBU) In the run-up to the 14th Plenum, Phap Luat also published two articles by HCMC-based attorney Le Cong Dinh. One introduced the concepts of "separation of powers" and "checks and balances." In his second article, Dinh argued that the country is in a "crisis of trust," in which opportunists are "feasting on the nation." He called on Vietnamese to overcome their fears of change. (Note: Dinh, as a Vice-Chairman of the HCMC Bar Association, attracted the ire of the Party when he published an article calling for political pluralism in Vietnam on the BBC Vietnamese language website. Party officials reportedly urged Dinh to avoid further controversy. End Note. See Ref A for more detail.)

Hitting Hard on Corruption

15. (SBU) HCMC dailies also continued their heavy (and critical) coverage of a multi-million dollar corruption and gambling scandal involving senior officials of an agency of the Ministry of Transportation. During a raid on a gambling ring, the police found that senior officials responsible for managing ODA-funded transportation infrastructure projects -- the PMU-18 unit -- were betting millions of dollars on individual soccer games. In its coverage, Tuoi Tre not only attacked the Ministry for its lack of oversight, but also showcased the ineffectiveness of the Party's "6/2 Committee," its internal waste, malfeasance and anti-corruption watchdog. The newspaper described in detail the lifestyle, ill-gotten assets, and mistresses of the Director of PMU-18 (Project Management Unit), who also was the head of the PMU-18 Party cell. Tuoi Tre ran similar exposes of the previous

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heads of PMU-18 and of the son-in-law of Vice Minister of Transportation Nguyen Viet Tien, indirectly accusing the son-in-law of money laundering for Tien, and publishing detailed descriptions of the main culprits' networks of agencies, relationships and companies that are described as "the backyard". (Tien was the first director of PMU-18.) Even the usually bland and statist Saigon Giai Phong, the official mouthpiece of the Party in HCMC, carried reports strongly critical of the Party in the PMU-18 case.

16. (SBU) Comment: The Party earlier invited comment on the draft political report -- the policy framework for the upcoming Party Congress -- for the month of February. The Party subsequently made it clear that it considered the window for public comment closed. In the past, failure to heed similar deadlines has led to censure and punishment, but this has not been the case thus far this year.

17. (SBU) The new series of corruption and reform articles appears timed to coincide with and influence the Party's 14th Plenum deliberations. HCMC media continued to broaden the scope of discussion to encompass political and economic issues it had avoided during the February-March round of comments on the political report, focusing on issues such as the rule of law and the role of State-owned enterprises in the economy. The questioning of Article 4 of the Constitution appears unprecedented.

18. (SBU) Although Tuoi Tre has been branding itself as an anti-corruption watchdog (the pole position on its website, for example, goes to a banner link allowing readers to download the text of the new anti-corruption law passed in November 2005), there also may be a political subtext to the aggressive reporting on the PMU-18 corruption case. A reliable contact in HCMC alleged that Vice Minister Tien is linked to Party General

Secretary Nong Duc Manh. This contact and others added that a

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relative of Manh's is an official in PMU-18. In any case, the widening PMU-18 scandal has discomfited the Party enough for Politburo member and Permanent Secretary of the Party Central Committee Phan Dien to have spoken out in defense of the Party's anti-corruption efforts in Nhan Dan, the Party's newspaper. Dien is the head of the Party's anti-corruption "6/2" committee.

End Comment.

WINNICK